



**NASA
POLICY
DIRECTIVE**

Directive: NPD 4100.1

Effective Date: December 17, 1998

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Responsible Office: JG / Logistics Management Office

Subject: Supply Support and Material Management Policy

1. POLICY

a. Supply support and material management shall be structured to be responsive to customer requirements at minimum cost and demand on the NASA logistics infrastructure. Only materials necessary for the performance of NASA mission requirements or institutional operations shall be acquired.

b. Supply support and material management operations shall be managed and controlled so as to ensure compliance with statutory and regulatory requirements in order to provide effective support to the Strategic Enterprises and functional activities, while considering cost and infrastructure demands.

c. All costs associated with identification, acquisition, transportation, storage, maintenance, contractor handling (fees), and disposal shall be considered in supply support and material management decisions.

d. All material inventory assets shall be placed under continuing physical and financial controls, and shall be protected against loss, theft, waste, and abuse.

e. Center supply support and material management programs shall include the following:

(1) Promote economy in the acquisition, retention, and use of material.

(2) Achieve maximum use of existing materials resources and reduce the size and cost of the NASA infrastructure.

(3) Ensure the integrity of the Agency records, accounts, and reports.

(4) Maximize the use of outsourcing and trading partner inventories (e.g., Just-in-Time/JIT) as the primary method for stores, program,

and standby stock material requirements. Material should not be warehoused at a Center unless there is no cost-effective alternative.

(5) Ensure that materials are acquired for immediate use, for stock based on past usage history and anticipated need, or in the case of program and standby stock, for future use to satisfy a known specific project/program requirement.

(6) Ensure that Government-owned materials are used only for official purposes. Controls will be established to prevent unauthorized acquisition and use of materials.

(7) Ensure that assets are subjected to annual and periodic physical inventories in accordance with 4a and that appropriate investigations and adjustments are made to the financial and material records.

(8) Ensure that material no longer required is promptly identified and processed for disposal.

(9) Maintain auditable document files and records to support transactions against all inventory accounts.

(10) Ensure that duties and responsibilities for keeping accountable records and for physical custody of inventories and systems thereto be segregated, to the extent possible, in order to minimize opportunities for unauthorized, fraudulent acts and to support internal controls.

(11) Ensure compliance with governing policies as to the acquisition, storage, control, and distribution of hazardous materials.

f. Supply support and material management functions shall be implemented with NASA standard data systems or with nonstandard data collection systems when a NASA standard system is not available.

g. All NASA activities utilizing Government accountable supplies shall participate and comply in the preparation, maintenance, and maximum utilization of the Federal Catalog System (FCS). These requirements shall also be incorporated in all onsite contracts utilizing Government accountable supplies. All items in NASA's supply management systems must be uniformly identified, described, classified, numbered, and published. Program and standby stocks, unique to each Center, may be cataloged locally in accordance with the FCS format and not reported to the FCS.

h. Measures to gauge the effectiveness of supply support and material management process improvement initiatives, logistics costs, logistics services, performance measures (metric), and self-assessments will be established. Standardization of measures are to be achieved to the extent possible.

i. Each major program/project acquisition program shall designate a manager to participate in the Integrated Logistics System (ILS) planning. The focal point shall represent the material management

community of ILS and provide supply management, contract requirements, technical and quality data, and other data as required.

2. APPLICABILITY

This policy is applicable to NASA Headquarters and NASA Centers, including Component Facilities. These provisions are to be made applicable, through its contract, to any onsite contractor (1) who purchases materials; (2) who uses the Center-provided materials inventory management system; and (3) who maintains supply systems for NASA. This policy shall be incorporated in all contracts for onsite NASA material management/supply support. When the provisions of this policy conflict with the Federal Acquisition Regulation (FAR) Part 45, or NASA FAR Supplement (NFS) Part 1845, or international agreements and procedures governing materials in foreign countries, the provisions of the latter shall govern.

3. AUTHORITY

42 U.S.C. 2473(c)(1), Section 203(c)(1) of the National Aeronautics and Space Act of 1958, as amended.

4. REFERENCES

- a. 40 U.S.C. 471 et seq., the Federal Property and Administrative Services Act of 1949, as amended.
- b. 10 U.S.C. Chapter 145, Cataloging and Standardization, 10 U.S.C. 2451-2458 (Department of Defense).
- c. FAR Part 45, 48 CFR Part 45, Government Property.
- d. NFS Part 1845, 48 CFR Part 1845, Government Property.
- e. 41 CFR Chapter 101, Federal Property Management Regulations.
- f. NPD 4200.1, Equipment Management.
- g. NPD 7500.1, Program and Project Logistics Policy.
- h. NPG 4100.xx, NASA Materials Inventory Management Manual.
- i. NPG 4300.xx, Personal Property Disposal Manual.
- j. NASA Financial Management Manual Chapter 9250, Property Accounting.

5. RESPONSIBILITY

a. The Associate Administrator for Management Systems and Facilities is responsible for establishing supply support and material management policies and guidance and for assessing the effectiveness of implementation.

b. Center Directors and the Associate Administrator for Headquarters Operations are accountable for NASA supply support and material management at their respective Centers, are responsible for ensuring compliance with this NPD, and for placing appropriate supply support and material management requirements in contracts under their purview. In addition, Center Directors shall perform the following:

- (1) Appoint a Supply and Equipment Management Officer (SEMO).
- (2) Appoint an Inventory Adjustment Officer.
- (3) Ensure that Program/Project directors under the Lead Enterprise concept are responsible for establishing supply support and management of material requirements for their programs/projects.

c. The responsible individual may authorize a designee to act on his/her behalf.

6. DELEGATION OF AUTHORITY

None.

7. MEASUREMENTS

a. Measurements for supply support and material management functions shall reflect the status of operations and progress in the achievement of policy goals and objectives. Consequently, they shall be comprised of accepted standards reflected in existing reports and metrics to be developed for measurement of change in logistics infrastructure and processes.

b. Current reports which reflect status of existing operations include the following:

- (1) Semiannual report of Personal Property Operations, NASA Form 1324.
- (2) Semiannual Analysis of Inventories Report, NASA Form 1489.
- (3) Physical Inventory of Materials Annual Report, NASA Form 1619.
- (4) Semiannual Supply and Equipment Performance Measures.

Reports shall be generated and/or submitted electronically when capabilities exist and shall be submitted by May 15 (Semiannually) and November 15 (Annually).

c. New reports, as required, will be initiated and developed jointly by the NASA Headquarters Logistics Management Office and NASA Center Supply and Equipment Management Officers.

8. CANCELLATION

NMI 4000.3A, Supply and Equipment Management, dated December 13,1991.

/s/ Daniel S. Goldin

Administrator

ATTACHMENT A: (TEXT)

Statement of Supply Support and Material Management Policy measurements in four parts:

- a. Sample Semiannual report of Personal Property Operations, NASA Form 1324.
- b. Sample Semiannual Analysis of Inventories Report, NASA Form 1489.
- c. Sample Physical Inventory of Materials Annual Report, NASA Form 1619.
- d. Sample Semiannual Supply and Equipment Performance Measures.

(Sample reports may be viewed by clicking on the URL below.)

(URL for Graphic)

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